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[CLICK HERE FOR HEALTH SERVICES's REPORT SEPTEMBER 26, 2008](#)

[CLICK HERE FOR THE CEO's REPORT DATED DECEMBER 16, 2008](#)



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

September 12, 2008

To: Supervisor Yvonne B. Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

## **INDEPENDENT REVIEW OF THE DEPARTMENT OF HEALTH SERVICES (ITEM NO. S-1, AGENDA OF SEPTEMBER 16, 2008)**

On September 9, 2008, on motion by Supervisor Molina, your Board instructed the Chief Executive Officer to report back to the Board on September 16, 2008, as a set item on various options for creating an independent review entity or contractor (for example, similar to the work performed by Mr. Merrick Bobb) which or who would be tasked with investigating and making recommendations to this Board related to all aspects of the administration, operations and functions of the Department of Health Services; a status of hiring a new Director of Health Services and the creation of a Health Authority; and findings identified in the Acting Auditor-Controller's report on King-Harbor Hospital (MLK).

### **INDEPENDENT REVIEW**

The following options have been identified relative to an independent review entity/office:

#### **Option 1**

Establish an independent monitor within the Department of Health Services (DHS) consistent with the Merrick Bobb model.

- In 1992, as a result of an extensive study, the Koltz Commission Report identified numerous programmatic and operational issues within the Sheriff's Department. In addition, the report provided recommendations to address the noted deficiencies.

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Mr. Merrick Bobb was identified as "Special Counsel" to monitor implementation of the recommendations provided in the Koltz Report.

- Various areas at DHS with a need for improvement have come to the attention of your Board. An independent entity could be identified to review these program and operational areas of concern and develop recommendations for improvement and ensure implementation of the recommendations.

### **Option 2**

Conduct a management audit of DHS to review administration both at central headquarters and at DHS facilities.

- Engage the Auditor-Controller (A-C) to conduct an independent management audit to identify issues throughout the department.
- Identify a monitor to work independently and oversee implementation of the management audit findings.

### **Option 3**

Establish the County Office of Inspector General (OIG) by centralizing some or all of the various independent review offices located throughout the County, including the newly created DHS entity, if established by your Board. A centrally managed County OIG would consolidate the various independent review offices into one office that would report directly to your Board.

## **SEARCH FOR HEALTH SERVICES DIRECTOR**

This Office and the Department of Human Resources (DHR) are actively involved in the hiring of a new Director for the Department of Health Services (DHS). We have interviewed numerous search firms and are continuing with this process.

## **HEALTH AUTHORITY**

As your Board is aware, we have in the past analyzed the creation of a health authority, among other governance models. In recognition of DHS' projected budget deficits, we decided not to pursue development of a health authority.

Each Supervisor  
September 12, 2008  
Page 3

## **MLK FINDINGS**

This Office, DHS and DHR are collaborating to assess and implement the recommendations identified by the A-C. Such action is consistent with Supervisor Antonovich's motion which was also approved by your Board September 9, 2008. A separate report is being prepared by the Interim Director of Health Services to address your Board's instructions.

If you have any questions, please contact me or your staff may contact Mason Matthews at (213) 974-2395 or [mmatthews@ceo.lacounty.gov](mailto:mmatthews@ceo.lacounty.gov).

WTF:SRH:SAS  
MLM:MM:bjs

c: Executive Officer, Board of Supervisors  
County Counsel  
Auditor-Controller  
Interim Director, Department of Health Services  
Director of Personnel

Independent Review S-1 agenda of 09-16-08\_mbs



**Health Services**  
LOS ANGELES COUNTY

September 26, 2008

**Los Angeles County  
Board of Supervisors**

**Gloria Molina**  
First District

**Yvonne B. Burke**  
Second District

**Zev Yaroslavy**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

**John F. Schunhoff, Ph.D.**  
Interim Director

**Robert G. Splawn, M.D.**  
Interim Chief Medical Officer

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[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To improve health  
through leadership,  
service and education*



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To: Each Supervisor

From: John F. Schunhoff, Ph.D.  
Interim Director

**SUBJECT: CONTRACT SOLICITATION LIST CLARIFICATION**

The September 16, 2008 Board meeting included a Department of Health Services (DHS) item requesting approval to extend the Department's medical transcription services agreements pending completion of a competitive solicitation. In considering the item, the Board discussed a list of DHS contracts which had been provided to Supervisor Molina, based on her request. During the Board discussion, the Department was asked to verify the list for completeness. This memo is to clarify the purpose and update the content of that list.

DHS provided the list of contract solicitations to Supervisor Molina's office in response to a request for a list of DHS contracts that are overdue for Requests for Proposals (RFP). The list reflected only current contract solicitation workload through 2010, i.e., only those contracts where DHS has determined that formal solicitations will be conducted.

To compile the list of contracts and extensions, DHS reconciled an internal contract database to specific Board actions and hard copy files. The attached list, including some updates, identifies the contracts that will require a solicitation or sole source extension during the next two years.

Please note that this list does not reflect all upcoming expiring contracts that may require Board approval. For example, based on the nature of the service and/or the provider, a solicitation process is not warranted for many agreements with hospitals (e.g., bioterrorism, trauma centers), other government agencies, Medi-Cal managed care program providers, etc.

We are working with County Counsel to determine the most effective solicitation methods to handle the large volume of contracts in a timely fashion. In the event that we identify any contract missing from this list, or determine that additional time will be necessary to complete solicitation processes, we will advise your Board accordingly.

Please call me if you have any questions, or your staff may contact Kathy Hanks, Director, Contract Administration and Monitoring at (213) 240-7819.

JFS:kh

Attachment

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors

**DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION**  
**SUCCESSOR CONTRACT SOLICITATIONS AND POSSIBLE SOLE SOURCE EXTENSIONS**  
As of September 26, 2008

<b>Contract(s)</b>	<b>Current Expiration Date</b>	<b>Solicitation Type</b>	<b>Facilities/ Program Office</b>	<b>Status/Issues</b>	<b>Target Board Agenda</b>
Interpreter Network Membership (HCIN)	Expires 11/30/08	Sole Source	All	Membership and connection to network of other agencies interpreters supports video/voice interpreter pilot project. Will extend to 6/30/09 to be co-terminus with pilot.	10/21/08
Patient Safety Net System (Universal Health Consortium)	Expires 12/31/08	Sole Source	All	Sole source memo pre-negotiation memo issued for new contract.	11/08
Radiology & TeleRadiology (2 contracts) *	One expires 11/18/08 (will extend to 12/31/08) 2 <sup>nd</sup> contract expires 12/31/08	RFSQ Non Prop A	All except LAC+USC	RFSQ released 9/3/08 SOQs received 9/24/08 and under review. Resultant contract will be only 1 year.	12/2/08 (or sooner)
Urgent Care Physicians at MLK MACC (CEP)	Expires 11/30/09	RFSI Prop A	MLK MACC	RFSI in management review process. Release targeted 10/1/08.	12/2/08
Medical Waste Removal (Stericycle) *	Expires 12/31/08 Needs extension to 6/30/09	TBD Non Prop A	All	RFSQ draft has been submitted for management review and needs reworking. Contract extension necessary to complete solicitation process.	11/08 for ext
Ophthalmic Diagnostic Photography Services (Bio-graph)	Expires 12/31/08	Sole source Non Prop A	Harbor MLK-MACC LAC+USC	Contract was to be completely phased out before term ended. Services were brought in house at 1 facility but services are still needed for 3 facilities.	11/08
Hematology/Pathology Services & Consultation* (UCLA)	Expires 12/31/08 Extension to 6/30/09	RFSQ Non Prop A	OV-UCLA	Services to be included in RFSQ for Lab Services that is being revised. Needs extension to be co-terminus with other Lab Services Contract.	11/08
Case Management Services for the Access to Housing for Health Pilot (Homeless Health Care Los Angeles)	Expires 12/31/08 Will extend 1 year	Sole Source	All	Extension recommended ensuring provision of case management services for continuing pilot.	11/08

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION  
 SUCESSOR CONTRACT SOLICITATIONS AND POSSIBLE SOLE SOURCE EXTENSIONS  
 As of September 26, 2008

Contract(s)	Current Expiration Date	Solicitation Type	Facilities/ Program Office	Status/Issues	Target Board Agenda
Intra-Aortic Balloon Pump & Clinical Perfusion Technician Services * (HCSG)	Expires 1/31/09	RFI Non Prop A	Harbor	RFI released. 3 Responses received timely, 1 qualified. Will recommend agreement with qualified vendor.	1/8/09
Prosthetics & Orthotics Master Agreements (13 contracts)	Expires 2/28/09	RFSQ Non Prop A	All Hospitals & MACCs	RFSQ draft to County Counsel 9/29/08. Release targeted 10/17/08.	1/09
Recuperative Care Services for Homeless Clients (JWCH Institute)	Expires 2/28/09	RFI Non Prop A	All	RFI necessary to determine if other providers available. At agreement award in June 2007 JWCH was only provider available.	1/09
Landscape Service (Desert Haven)	Expires 2/28/09 Delegated authority to extend mo-mo to 8/31/09	TDB	High Desert Health System	Anticipate extending contract. Services are provided via Contractor's training program for handicapped persons. The Welfare and Institutions Code allows for contracts with non-profits operating community rehabilitation programs without bidding.	TBD
Scanning Services (RCI Imaging)	Expires 3/31/09	IFB Non Prop A	Harbor Rancho	IT working on scope of services for department wide scanning efforts. May need to bid this separately.	2/09
Shuttle Bus	Expires 3/31/09	IFB Non Prop A	LAC-USC	IFB drafted and in management review. Release targeted 10/08.	2/09
Health Care Plan & Commercial Insurance Services	Expires 3/31/09	RFP Non Prop A	HSA	RFP released 8/19/08. Proposals received 9/25/08. Evaluations in process.	2/09
Out of State Medicaid Billing Services	Expires 3/31/09	RFP Non Prop A	HSA	RFP draft in process. Release targeted 10/08. Proposal deadline targeted 12/08.	2/09
Temporary Medical Personnel- Certified Registered Nurse Anesthetist (4 contracts)	Expires 4/30/09	RFSQ Non Prop A	All	Acquisition strategy and planning in process.	3/09

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION  
 SUCESSOR CONTRACT SOLICITATIONS AND POSSIBLE SOLE SOURCE EXTENSIONS  
 As of September 26, 2008

Contract(s)	Current Expiration Date	Solicitation Type	Facilities/ Program Office	Status/Issues	Target Board Agenda
Laundry	Expires 5/31/09	RFP Non Prop A	All Hospitals, MACCs	RFP released 7/22/08. Proposals due 9/30/08.	3/09 (or sooner)
Laboratory Services (4 contracts) *	Expires 6/30/09	RFP Non Prop A	All	RFP initially submitted for management review. Staff reworking as a RFSQ.	5/09
Diagnostic & Therapeutic Srvs (3 contracts)	Expires 3/31/09 With delegated authority to extend to 6/30/09	TBD Non Prop A	High Desert Health System	Currently 3 sole source contracts. Will release RFI to determine if other providers available in area.	5/09 (or sooner)
Dietary Services & Cafeteria Concessions *	Expires 6/30/09 Except LAC+USC 9/30/09	RFP Prop A & Non Prop A (concessions)	All	RFP draft in process. Release targeted 11/08.	6/02/09
Asset valuation Services (Huron)	Expires 6/30/09	RFP Non Prop A	HSA	Previously sole source contract. Acquisition strategy and planning in process.	5/09
Various Equipment Maintenance Contracts	Expires 6/30/09	RFP Non Prop A	Various	Acquisition strategy and planning in process.	5/09
Preventive Maintenance & Repair Contracts (So Cal Boiler & Pouk & Steinle)	Expires 6/30/09	TBD Non Prop A	Rancho Harbor	Bid or can ISD provide? Boilers and high voltage electric service (Boiler – Harbor and Rancho) (P&S is only Rancho will add Harbor)	TBD
Pharmacy Benefit Management Services	Expires 6/30/09	RFP Non Prop A	CHP	Need acquisition strategy and planning meeting with OMC staff.	5/09
Urgent Care Services	Expires 6/30/09	TBD Prop A	Hubert H. Humphrey CHC	Need acquisition strategy and planning meeting.	5/09
Temporary Medical Personnel- Physician Anesthesiology (3 contracts)	Expires 6/30/09	TBD Non Prop A	Various	Need acquisition strategy and planning meeting to discuss all temporary medical personnel agreements.	5/09
Interpreter Call Center (PHFE)	Expires 6/30/09	Sole Source	Rancho	2 year pilot project started 6 months late so this might be extended for 6 months to 12/31/09 to complete pilot.	5/09



DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION  
 SUCESSOR CONTRACT SOLICITATIONS AND POSSIBLE SOLE SOURCE EXTENSIONS  
 As of September 26, 2008

Contract(s)	Current Expiration Date	Solicitation Type	Facilities/ Program Office	Status/Issues	Target Board Agenda
Patient Satisfaction Surveys (Press Gainey)	Expires 6/30/09	TBD Non Prop A	Various	Need acquisition strategy and planning meeting.	5/09
Specialty Medical Services Contract Program for Physicians & Nonphysician Medical Personnel (Various)	Expires 6/30/09	N/A	All	Solicitation not feasible. Anticipate contract program will be extended for both Prop A and Prop A exempt contracts.	5/09
Specialty Medical Services Hospitalist Agreement (UCLA)	Expires 6/30/09 Extension TBD	N/A	Rancho	Has customized terms and conditions that differ from current delegated authority agreements (see prior line). Will extend if facility still needs services.	TBD
Landscape Services (Accent) Plus services provided thru ISD contracts	Expires 12/31/08 Delegated authority to extend mo-mo to 6-30-09	RFP Prop A	Harbor	RFP redrafted and submitted for management review. Single RFP will cover multiple facilities with right to make one or multiple contract awards.	5/09
Landscape Services (Far East – 4 contracts)	Expires 9/30/09	Combine with prior	Various	Combine with prior.	
Landscape Services (PBMS)	Expires 9/30/09	Combine with prior	Rancho	Combine with prior.	
Landscape Services (Mariposa)	Expires 12/31/10	Combine with prior	LAC+USC	Combine with prior.	
Housekeeping Services	Expires 8/31/09 + 6 months to 2/28/10	RFP Prop A	20+ facilities including DPH	Acquisition strategy and planning in process.	8/09
Therapeutic Hemapheresis Services (3 contracts)	Expires 8/31/09	TBD Non Prop A	Various	Need acquisition and planning meeting.	7/09
Medi-Cal Recovery Services (2 contracts)	Expires 8/31/09	RFP Non Prop A	HSA	Need acquisition planning meeting.	7/09

**DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION**  
**SUCCESSOR CONTRACT SOLICITATIONS AND POSSIBLE SOLE SOURCE EXTENSIONS**  
As of September 26, 2008

<b>Contract(s)</b>	<b>Current Expiration Date</b>	<b>Solicitation Type</b>	<b>Facilities/ Program Office</b>	<b>Status/Issues</b>	<b>Target Board Agenda</b>
Medical Transcription Services *	Expires 9/30/09	RFP Prop A and Non Prop A	All	Draft RFP being revised based on management review. Target RFP release 12/08.	8/09
Dental Services (Feldman)	Expires 9/30/09 + 6 one month	RFP Prop A	H. Claude Hudson CHC	Initiate acquisition planning in early 2009	8/09
Radiology & TeleRadiology (Longer range solution)	New 1 year contract will expire 12/31/09	RFP Prop A?	All	Prop A issues to be resolved.	11/09
Lithotripsy & Percutaneous Nephrostolithotomy Services	Expires 12/31/09	TBD	All	Initiate acquisition strategy and planning in early 2009.	11/09
Managed Care Information System	Expires 12/30/09	RFP Non Prop A	OMC	RFP issued 5/08, responses received 8/08, currently in evaluation process.	2 <sup>nd</sup> quarter 2009
NCQA Accreditation Project Consulting Services (Syntro Limited)	Expires 12/31/09	TBD	OMC	Determine if contract services still necessary and if so initiate acquisition planning in early 2009.	TBD
Delinquent Account Collections (USCB)	Expires 12/31/09	RFP Non Prop A	HSA	Initiate acquisition planning in early 2009.	11/09
Quadramed	Expires 12/31/09	Sole Source	All	Extension planning in process.	TBD
Medical Research & Education	Expires 12/31/09	Sole Source	LAC+USC	Sole source no cost contract for space usage. Will extend if necessary.	TBD
Recuperative Care Services for Homeless Clients (JWCH)	Expires 1/31/10	RFI Non Prop A	All	RFI necessary to determine if other providers available. At agreement award in JWCH was only provider available.	TBD
Health Services For Project 50 Participants (JWCH)	Expires 3/31/10	Sole Source	All	TBD	TBD

DEPARTMENT OF HEALTH SERVICES CONTRACTS AND GRANTS DIVISION  
SUCCESSION CONTRACT SOLICITATIONS AND POSSIBLE SOLE SOURCE EXTENSIONS  
As of September 26, 2008

Contract(s)	Current Expiration Date	Solicitation Type	Facilities/ Program Office	Status/Issues	Target Board Agenda
Various Equipment Maintenance Contracts	Expires various dates 6/30/10 7/31/10 12/31/10	RFP Non Prop A	All	Initiate acquisition planning in mid 2009.	TBD
Various Temporary Medical Personnel Contracts	Expires 6/30/10	TBD Non Prop A	All	Initiate acquisition planning in early 2009.	TBD
Healthy Way LA (28 contracts)	Expires 6/30/10	TBD	All	Initiate acquisition planning in late 2009.	TBD
Family Planning Program (2 contracts)	Expires 12/31/10	TBD	All	Initiate acquisition planning in early 2010.	TBD
21 Ambulance Contracts	Expires 12/31/10	TBD Non Prop A	EMS	Initiate acquisition planning in early 2009.	TBD

**Notes**

\* Solicitation overdue

**Solicitation Type Legend**

IFB: Invitation for Bids

RFP: Request for Proposals

RFSQ: Request for Statement of Qualifications (used to obtain multiple vendors for as-needed master agreements)

RFI: Request for Information (used to determine if potential contractors are available)



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

REVISED

December 16, 2008

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

### INDEPENDENT REVIEW ENTITY (ALL DISTRICTS AFFECTED) (3 VOTES)

#### **SUBJECT**

This Board letter requests Board authorization to allow the Chief Executive Office to issue a Request for Proposals for an independent review entity or contractor to examine, assess, and make recommendations to the Board on the administration, operations, and functions of the County Department of Health Services.

#### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize the Chief Executive Officer to issue a Request for Proposals (RFP) incorporating the statement of work provided with this Board letter and standard County contract provisions for an independent review entity or contractor to examine, assess, and make appropriate recommendations to your Board on the administration, operations, and functions of the County Department of Health Services (DHS).
2. As appropriate, based on the results of this solicitation, instruct the CEO to return to your Board with a recommended contract to provide this function.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On September 9, 2008, on motion of Supervisor Molina, your Board instructed the CEO to report back on options for creating an independent review entity or contractor which or who would be tasked with investigating and making recommendations to your Board on all aspects of the administration, operations, and functions of DHS.

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Board of Supervisors  
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Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

On September 12, 2008, the CEO provided your Board with a report identifying three options relative to an independent review entity. On September 16, 2008, on Motion of Supervisor Molina, your Board instructed the CEO to develop an RFP for an independent review entity or contractor for DHS and return to your Board for discussion prior to release. The Statement of Work (SOW) section of the RFP is attached for your review and consideration, and we are recommending that you authorize this Office to issue the RFP incorporating the SOW and standard County contracting provisions.

The SOW identifies and discusses the proposal submission and selection process, work plan implementation, several possible areas of focus including audit reports, quarterly Governing Body meetings and Board directives, experience and expertise and fee structure. The SOW further identifies that for each directive or subject matter, the Contractor should provide the following for Board review and approval, as appropriate:

- Detailed analysis of the department, function, problem or issue being reviewed;
- Identification of systemic issues underlying the problem/issue and other relevant causative factors;
- Discussion of best practices relevant to identified problem/issue;
- Specific, written recommendation(s) to resolve identified problem/issue and expected outcome(s); and
- Implementation plan including an estimate of resources and time needed.

In operations, we would propose that the entity or contractor meet with your Board on a periodic basis to discuss areas of interest or concern. The RFP will request proposers to submit an hourly rate for the period of the contract. These rates would be applied to specific directives identified by your Board with a mutually-agreed to cap on the total cost of specific reviews.

We further believe the proposals we receive may well provide additional ideas and suggestions on the approach, process, and outcomes of this effort.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This effort will support the County Strategic Plans Goals of Service Excellence, Workforce Excellence, Organizational Effectiveness, and Health and Mental Health.

### **FISCAL IMPACT/FINANCING**

The cost of the contract will be determined consistent with the solicitation and negotiation process and according to specific areas of focus ordered by your Board as discussed

above. Potential efficiencies and cost savings may well result from implementation of recommendations by the review entity.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On September 12, 2008, this Office submitted to your Board the following three options related to an independent review entity:

#### **Option 1**

Establish an independent monitor within DHS consistent with the Merrick Bobb model.

- In 1992, as a result of an extensive study, the Koltz Commission Report identified numerous programmatic and operational issues within the Sheriff's Department. In addition, the report provided recommendations to address the noted deficiencies. Merrick Bobb was identified as "Special Counsel" to monitor implementation of the recommendations provided in the Koltz Report.

#### **Option 2**

Conduct a management audit of DHS to review administration, both at central headquarters and at DHS facilities.

- Engage the Auditor-Controller to conduct an independent management audit to identify issues throughout the department.
- Identify a monitor to work independently and oversee implementation of the management audit findings.

#### **Option 3**

Establish the County Office of Inspector General (OIG) by centralizing some or all of the various independent review offices located throughout the County, including the newly created DHS entity, if established by your Board. A centrally-managed County OIG would consolidate the various independent review offices into one office that would report directly to your Board.

At your meeting of September 16, 2008, Supervisor Molina made a motion that your Board move forward with **Option 1**.

After further discussion, Supervisor Yaroslavsky made a motion to amend Supervisor Molina's motion to instruct the CEO to develop an RFP for an independent review entity or contractor, for DHS and bring the information before your Board for discussion prior to approval. Supervisor Molina accepted Supervisor Yaroslavsky's amendment. Supervisor Molina's motion, as amended, was approved without objection.

This Board letter and attached SOW is our response to that directive.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There is no anticipated immediate impact on current services or projects as a consequence of issuing the RFP.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:ES:MKZ  
JR:JH:pg

Attachments (1)

c: County Counsel  
Acting Director of Health Services

**APPENDIX B**

**RFP STATEMENT OF WORK**

**DEPARTMENT  
OF  
HEALTH SERVICES**

**INDEPENDENT REVIEW SERVICES**



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Attachment  
***County of Los Angeles***  
***Department of Health Services***  
***Independent Review Entity***  
**APPENDIX B**

**STATEMENT OF WORK (SOW)**

**1.0 SCOPE STATEMENT OF WORK**

**Background**

The Los Angeles County Chief Executive Office (CEO) is issuing this Request for Proposals (RFP) to solicit proposals for a Contract with an organization or individuals to make specific recommendations to the Board to assist in the implementation of a plan to improve the governance, accountability, reliability and efficiency of key departments, operations and functions within the Department of Health Services (DHS). The organization or individual may also receive instruction and periodic directives from the Board of Supervisors on an as-needed basis on areas of concern the Board wishes to be investigated, analyzed or solved for those issues that fall outside the purview of the Auditor-Controller, investigate and make recommendations to the Board of Supervisors in areas related to administration, operations, and functions of the Department of Health Services (DHS).

DHS provides acute and rehabilitative patient care, trains physicians and other health care clinicians, and conducts patient care-related research. DHS operates four hospitals, including some of the nation's premiere academic medical centers through their affiliations with the Keck School of Medicine of the University of Southern California and the David Geffen School of Medicine at the University of California at Los Angeles. In addition, DHS operates six comprehensive health centers and multiple health centers throughout the County of Los Angeles, many in partnership with private, community-based providers.

DHS has an annual budget of \$3.3 billion and employs approximately 22,000 individuals. In Fiscal Year 2006-07, DHS provided more than 2.6 million out-patient (ambulatory care) visits, and almost 300,000 emergency room visits.

The contracting organization should possess the requisite experience and expertise to thoroughly analyze and make recommendations for and to assist in the implementation of a plan to improve the governance, accountability, reliability and efficiency of an organization this large and complex. ~~of an organization this large and be able to specifically address the following areas of the Department of Health Services:~~

### **Proposal Submission and Selection Process**

The County expects that the scope of work will focus on improving the governance, accountability, reliability and efficiency of key departments, operations and functions within DHS.

- Proposals should recommend and prioritize specific key departments and/or functions within DHS which are considered to be the most critical to be included in the analysis.
- The proposal should include a justification of why those departments and/or functions were selected as a priority.
- The proposal should explain in detail the approach and methodology that will be used to conduct the analysis and articulate what the expected outcomes are.
- Proposal should list key team members who will work on the study and provide background describing each team member's qualifications.
- Proposal should articulate why the proposer is uniquely qualified to investigate, analyze or verify the accuracy of issues or areas of concern as directed by the Board of Supervisors on an as-needed basis.

All proposals will be presented to the CEO for review and evaluation. The CEO will evaluate the merits of the proposal, the proposal cost, and the proposer's demonstrated knowledge and understanding of the opportunities and challenges facing the DHS organization.

The CEO will recommend the award of a contract to the Board which will have final authority to award or not to award the contract based upon the CEO's recommendation.

## **Work Plan and Implementation**

Once the Board has awarded the resultant contract, the Contractor will be expected to begin analyzing the operations of those key departments and functions identified in the proposal with the end goal of providing specific recommendations on how improvements can be made for each department or function. This should include:

- A detailed analysis of the department, function, problem or issue being reviewed;
- Identification of systemic issues underlying the problem/issue and other relevant causative factors;
- Discussion of best practices relevant to identified problem/issue;
- Specific, written recommendation(s) to resolve identified problem/issue and expected outcome(s); and
- Implementation plan including an estimate of resources and time needed.

DHS is to begin implementation of the recommendations as they are received, rather than waiting until all study areas are completed. The Contractor must be available to provide support and guidance to DHS as the recommendations are being implemented.

The Auditor-Controller will monitor DHS's progress and ensure recommendations are implemented. The Contractor may be expected to consult with the Auditor-Controller and the Department regarding the implementation of the plan.

## **Board Directives**

The Board may provide periodic instruction and directives to this entity related to areas of concern they wish to be investigated, analyzed or solved. This may be requested by the Board on an as-needed basis for those areas which fall outside the expertise of the Auditor-Controller.

## **Experience and Expertise**

Contractor should have healthcare knowledge and expertise in these areas:

- Organization, governance, as well as decision-making, implementation and accountability structures and procedures
- Human resources management
- Clinical performance and measurement
- Procurement and contracting
- Facilities programming and planning
- Capital project planning and prioritization
- Information technology management
- Recruitment and retention strategies
- Strategic planning (including administration and clinical operations)
- Knowledge of clinical operations and patient care issues
- Health Insurance Portability and Accountability Act (HIPAA)

## **FEE STRUCTURE**

- The proposal should provide an estimate of the number of hours needed to complete the study and provide recommendations for each of the key departments/functions identified as a priority area and the total estimated cost for completing this work.
- The proposal should include the rate that would be charged during the term of the contract should the Board direct them to investigate other issues or areas of concern on an as-needed basis. Payment will be tied to receipt of specific deliverables or milestones for each study.

## **Audit Reports**

~~Perform a thorough examination and analysis of current management and audit reports from the following agencies:~~

- ~~Auditor-Controller~~
- ~~Chief Executive Office~~
- ~~Department of Human Resources~~
- ~~Department of Health Services~~
- ~~The Joint Commission on the Accreditation of Healthcare Organizations (JCAHO)~~

## **Monitor Quarterly Governing Body Meetings**

~~Each hospital conducts quarterly governing body meetings where issues and concerns relating to hospital operations are discussed. These meetings provide insight into the inner workings each hospital, and attendance may provide opportunities to analyze and address common department-wide issues. The Contractor must be able to monitor these meetings as a representative of the Board.~~

### **Board Directives**

~~The Los Angeles County Board of Supervisors will provide instruction and periodic directives to the Contractor on areas of concern they wish to be investigated, analyzed or solved. The Contractor may also be expected to verify the accuracy of any reports requested of the Department's by the Board.~~

~~The Board may or may not direct the Contractor to analyze the following areas but the Contractor must have healthcare knowledge and expertise in these areas:~~

- ~~• Organization, governance, as well as decision-making, implementation and accountability structures and procedures~~
- ~~• Mission, values and culture~~
- ~~• Public sector finance~~
- ~~• Federal and State regulations and programs~~
- ~~• Clinical performance and measurement~~
- ~~• Facilities programming and planning~~
- ~~• Capital project planning and prioritization~~
- ~~• Human resources management~~
- ~~• Procurement and contracting~~
- ~~• Information technology management~~
- ~~• Executive compensation~~
- ~~• Medical staff size and composition, including accommodating future capacity issues~~
- ~~• Recruitment and retention strategies~~
- ~~• Strategic planning (including administration and clinical operations)~~
- ~~• Future service delivery trends and impact on patient care and program allocation~~
- ~~• Forecasting of inpatient, emergency, and outpatient services~~
- ~~• Inpatient and short-stay requirements~~

- ~~Future capacity requirements including beds, operating rooms, emergency rooms, and other clinical services~~
- ~~Health Insurance Portability and Accountability Act (HIPAA)~~

## **SPECIFIC WORK REQUIREMENTS**

~~For each directive or subject matter, the Contractor should provide the following for Board review and approval, as appropriate:~~

- ~~Detailed analysis of the problem or issue being reviewed~~
- ~~Identification of systemic issues underlying the problem/issue and other relevant causative factors~~
- ~~Discussion of best practices relevant to identified problem/issue~~
- ~~Written recommendation(s) to resolve identified problem/issue and expected outcome(s)~~
- ~~Implementation plan~~

## **2.0 ~~ADDITION/DELETION OF FACILITIES OR SPECIFIC TASKS~~**

- ~~2.1 Contractor may include all facilities and programs within DHS in their research and analysis. The following are current locations of DHS facilities that may or may not be analyzed:~~

## **DHS FACILITIES**

DHS facilities are listed below:

### **Health Services Administration**

Health Services Administration  
Health Services Administration  
OMC  
EMS Disaster Staging Warehouse  
EMS Administrative Headquarters  
Workforce Development

313 N. Figueroa St.  
5555 Ferguson Drive  
1000 S. Fremont Ave.  
10430 Slusher Dr.  
10100 Pioneer Blvd.  
500 S. Virgil St.

Los Angeles  
Commerce  
Alhambra  
Santa Fe Springs  
Santa Fe Springs  
Los Angeles

### **Antelope Valley Cluster**

High Desert Health System  
Antelope Valley Health Center  
Lake Los Angeles Community Clinic  
Littlerock Community Clinic  
South Valley Medical Center

44900 N. 60th St. W.  
335-B E Ave. K-6  
1692 E. Ave. O Sp.G  
8201 Pearblossom Hwy.  
38350 40th St. East Palmdale

Lancaster  
Lancaster  
Lake Los Angeles  
Littlerock

### **Costal Cluster**

Harbor-UCLA Medical Center  
LA Biomedical Research Inst.  
Long Beach Com. Health Center  
Bellflower Health Center  
Family Health Center  
Wilmington Health Center  
Hawaiian Gardens Health Center

1000 W. Carson St.  
1124 W. Carson St.  
1333 Chestnut Ave.  
10005 E. Flower St.  
1403 Lomita Blvd.  
1325 Broad Ave.  
22310 Wardham Ave.

Carson  
Carson  
Long Beach  
Bellflower  
Harbor City  
Wilmington  
Hawaiian Gardens

### **LAC+USC Healthcare Network**

LAC+USC Medical Center  
Juvenile Court Health Services  
LAC+USC PFS  
LAC+USC Materials Mgmt. Warehouse  
LAC+USC Psych In-Patient Hospital  
El Monte Com. Health Center  
La Puente Health Center  
Hudson Com. Health Center  
Roybal Com. Health Center  
Weingart Center

1200 N. State St.  
1925 Daily St.  
1910 N. Main St.  
2011 Soto St.  
7500 E. Hellman  
10953 Ramona Blvd.  
15930 Central Ave.  
2829 S. Grand Ave.  
245 S. Fetterly Ave.  
515 E. 6th St.

Los Angeles  
Los Angeles  
Los Angeles  
Los Angeles  
Rosemead  
El Monte  
La Puente  
Los Angeles  
Los Angeles  
Los Angeles

### **Southwest Cluster**

Martin Luther King  
Humphrey Com. Health Center  
Dollardhide Health Center

12021 S. Wilmington Ave.  
5850 S. Main St.  
1108 N. Oleander St.

Los Angeles  
Los Angeles  
Compton

### **San Fernando Valley Cluster**

Olive View-UCLA Medical Center  
Mid-Valley Com. Health Center  
San Fernando Health Center  
Glendale Health Center  
Canoga Park Health Center  
Valencia Health Center

14445 Olive View Dr.  
7515 Van Nuys Blvd.  
1212 Pico St.  
501 N. Glendale Ave.  
7107 Rammet Ave.  
23763 Valencia Blvd.

Sylmar  
Van Nuys  
San Fernando  
Glendale  
Canoga Park  
Valencia

### **Rancho Los Amigos National Rehab Center**

North Campus Only

7601 E. Imperial Hwy.

Downey



~~The Board reserves the right to add additional tasks, locations, directives or areas of focus.~~

~~2.2 All changes must be made in accordance with sub-paragraph 8.1 Amendments of the Contract.~~

### **~~3.0 QUALITY CONTROL~~**

~~The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Contract Project Monitor for review. The plan shall include, but may not be limited to the following:~~

~~3.1 Method of monitoring to ensure that Contract requirements are being met;~~

~~3.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.~~

### **~~4.0 QUALITY ASSURANCE PLAN~~**

~~The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in this Contract, Paragraph 8, Standard Terms and Conditions, Sub-paragraph 8.15, County's Quality Assurance Plan.~~

#### **~~4.1 Monthly Meetings~~**

~~Contractor is required to attend a scheduled monthly meeting with the Board Deputies, Director and CEO representatives. These meetings will be scheduled by the CEO and Contractor on mutually agreed upon dates.~~

#### **~~4.2 Contract Discrepancy Report (Technical Exhibit 1 of Appendix C)~~**

~~Verbal notification of a Contract discrepancy will be made to the Contract Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.~~

~~The County Contract Project Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document, the~~

~~Contractor is required to respond in writing to the County Contract Project Monitor within five (5) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Project Monitor within ten (10) workdays.~~

#### ~~4.3~~ **County Observations**

~~In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.~~

### ~~5.0~~ **RESPONSIBILITIES**

~~The County's and the Contractor's responsibilities are as follows:~~

#### ~~COUNTY~~

##### ~~5.1~~ **Personnel**

~~The County will administer the Contract according to the Contract, Paragraph 6.0, Administration of Contract - County. Specific duties will include:~~

~~5.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.~~

~~5.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.~~

~~5.1.3 Preparing Amendments in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.1 Amendments.~~

##### ~~5.2~~ **Furnished Items**

~~The County will provide access to all relevant information, reports and studies related to the Department of Health Services.~~

#### ~~CONTRACTOR~~

##### ~~5.3~~ **Project Manager**

~~5.3.1 Contractor shall provide a full-time Project Manager or designated alternate. County must have access to the Project Manager during all hours, 365 days~~

~~per year. Contractor shall provide a telephone number where the Project Manager may be reached on a twenty-four (24) hour per day basis.~~

~~5.3.2 Project Manager shall act as a central point of contact with the County.~~

~~5.3.3 Project Manager shall have 10 years of experience.~~

~~5.3.4 Project Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.~~

#### ~~5.4 Personnel~~

~~5.4.1 Contractor shall assign a sufficient number of employees to perform the required work. **At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.**~~

~~5.4.2 Contractor shall be required to background check their employees as set forth in sub-paragraph 7.4 Background & Security Investigations, of the Contract.~~

#### ~~5.5 Uniforms/Identification Badges~~

~~5.5.1 Contractor employees assigned to County facilities shall wear appropriate business attire at all times.~~

~~5.5.2 Contractor shall ensure their employees are appropriately identified as set forth in sub-paragraph 7.3 Contractor's Staff Identification, of the Contract.~~

#### ~~5.6 Materials and Equipment~~

~~The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.~~

#### ~~5.7 Training~~

~~5.7.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees.~~

~~5.7.2 All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All~~

~~employees must wear safety and protective gear according to OSHA standards.~~

#### ~~5.8 Contractor's Office~~

~~Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, by at least one employee who can respond to inquires and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. **The Contractor shall answer calls received by the answering service within two (2) hours of receipt of the call.**~~

### ~~6.0 HOURS/DAY OF WORK~~

~~Contractor is not required to work during County holidays and may perform analysis or evaluate hospital operations during normal business hours or after normal operating hours if arranged the County Project Manager.~~

### ~~7.0 SPECIFIC WORK REQUIREMENTS~~

~~For each directive or subject matter, the Contractor should provide the following for Board review and approval, as appropriate:~~

- ~~• Detailed analysis of the problem or issue being reviewed~~
- ~~• Identification of systemic issues underlying the problem/issue and other relevant causative factors~~
- ~~• Discussion of best practices relevant to identified problem/issue~~
- ~~• Written recommendation(s) to resolve identified problem/issue and expected outcome(s)~~
- ~~• Implementation plan~~

### ~~8.0 PERFORMANCE REQUIREMENTS SUMMARY~~

~~(Technical Exhibit 2 of Appendix C)~~

~~All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that~~

~~defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.~~